

DEPARTMENT OF THE NAVY  
FLEET READINESS CENTER EAST  
PSC BOX 8021  
CHERRY POINT, NC 28533-0021

5720  
11.6-AFG/002736  
29 March 2019

**VIA ELECTRONIC MAIL:**

Mr. Jeffery McCartney  
235 Bobbys Drive  
Newport, NC 28570  
e-mail: mccartneyjc@msn.com

Subj: RESPONSE TO FREEDOM OF INFORMATION ACT REQUEST  
DON-NAVY-2019-002736

Ref: (a) Your FOIA Request of 14 Jan 19  
(b) FRC East FOIA Program ltr 5720 11.6-AFG/002736 of 20 Feb 19  
(c) Your Confirmation of Description of Records Sought of 21 Feb 19  
(d) FRC East FOIA Coordinator Request for Extension of 21 Mar 19  
(e) Your Agreement to Extension of 21 Mar 19  
(f) DODM 5400.07  
(g) 32 C.F.R. § 286  
(h) 5 U.S.C. § 552

Dear Mr. McCartney:

1. This letter is in response to reference (a), in which you seek the release of Fleet Readiness Center East (FRC East) records related to a local FRC East Investigation. Your request was received in this office on 14 January 2019.
2. This office acknowledged your request, via reference (b), on 20 February 2019 and notified you that additional information was required regarding fees and the description of the records sought. In an effort to assist, we also provided you with the Agency's interpretation of the description of the records you are seeking. Reference (c), which was received in this office on 21 February 2019, perfected your request by providing your willingness to pay fees associated with processing your request and confirming the Agency's interpretation of the description of the requested records. Specifically, you are seeking records as described below:

"A copy of the local FRC East Command Investigation that was based on issues raised by Mr. Jeffrey McCartney and conducted by Mr. John Gatt between approximately February 2018 and December 2018."

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3. Per reference (d), on 21 March 2019, this office requested a ten working-day extension of time to respond to your request because it was necessary to coordinate with other areas of the command to make a proper release determination regarding some of the information contained in the record. The extension request also notified you that a response would be provided on or before 4 April 2019. On 21 March 2019, you indicated your agreement to the extension, via reference (e).

4. In response to your request, a record consisting of 15 pages was determined to be responsive. After review, it has been determined that 15 pages are appropriate for release and are provided as enclosure (1). However, all of the pages of enclosure (1) have been reviewed and redacted consistent with exemptions 5 U.S.C. § 552 (b)(6), which protects information that, if disclosed, would result in a clearly unwarranted invasion of personal privacy, as releases made under the FOIA are releases to the general public at large, 5 U.S.C. § 552 (b)(1), which protects properly classified national security information concerning the national defense, 5 U.S.C. § 552 (b)(2), which protects internal personnel and administrative materials, and 5 U.S.C. § 552 (b)(3), which protects information that is prohibited from disclosure by other laws.

5. In accordance with references (f) through (h), because portions of the records have been withheld, you may consider this to be an adverse determination that may be appealed. If you have created an account in FOIAonline, you may submit your appeal directly within the web-based system by logging into your account and clicking the "Create Appeal" tab in the left-hand column. If you do not have a FOIAonline account, you may send an appeal by regular mail to the Department of the Navy, Office of the General Counsel (ATTN: FOIA APPEALS), 1000 Navy Pentagon, Room 5A532, Washington, DC 20350-1000. Your appeal, if any, must be postmarked within 90 calendar days from the date of this letter and should include a copy of your request, a copy of this letter, and a statement indicating why you believe your appeal should be granted. It is recommended that your appeal and its envelope bear the notation "Freedom of Information Act Appeal."

6. For any further assistance and to discuss any aspect of your request, you have the right to contact the Department of the Navy FOIA Public Liaison, Mr. Christopher Julka, at Christopher.A.Julka@navy.mil or via telephone at 703-697-0031. Additionally, you have the right to contact the Office of Government Information Services (OGIS) to inquire about the FOIA mediation services they offer. You may obtain information or submit your request for mediation services to OGIS at Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-01. You may also contact OGIS via e-mail at ogis@nara.gov, telephone at 202-741-5770 (toll free at 1-877-684-6448) or facsimile at 202-741-5769.

7. Consistent with the provisions of references (f) and (g), the Agency is authorized to charge assessable fees, where applicable. In your case, you were advised by reference (b) that you are entitled to up to two free hours of search time and one hundred pages of records without

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incurring search or duplication charges. However, both search time and duplication costs were within the free entitlements, and you are not assessed any fees at this time.

8. You are advised that, in accordance with reference (g), the agency is required to make copies of all records released to any person under the FOIA available for public inspection and copying. This includes records the agency determines are, or are likely to become, the subject of subsequent requests for substantially the same records.

9. If you have any questions regarding this matter, you may contact this office via telephone at (252) 464-8336 or by e-mail at [angel.gaskins@navy.mil](mailto:angel.gaskins@navy.mil) or [cp\\_legal.gm.fct@navy.mil](mailto:cp_legal.gm.fct@navy.mil).



JENNIFER B. TOLER

Encl: (1) Investigation into Allegations of Mismanagement and Prohibited Personnel Practices  
of 24 Aug 18



## **Investigation into Mismanagement and Prohibited Personnel Practices involving**

### **6.1 Supervisors and (b)(1) Program Administration**

#### **Final Report – August 24, 2018**

Ref (A): Detailed Notes by (b)(6) of conversation with (b)(6) dated January 26, 2018

Ref (B): Transcription of recorded interview between (b)(6) and (b)(6) dated March 1, 2018

Ref (C): Appointment Letter for Fact Finding, dated June 22, 2018

Ref (D): Fact Finding Interview with (b)(6) dated July 9, 2018

Ref (E): Fact Finding Interview with (b)(6) dated July 12, 2018

Ref (F): Fact Finding Interview with (b)(6) dated July 10, 2018

Ref (G): Fact Finding Interview with (b)(6) dated July 12, 2018

Ref (H): Fact Finding Interview with (b)(6) dated July 9, 2018

Ref (I): Email from (b)(6) to (b)(6) dated December 14, 2017

Ref (J): Fact Finding Interview with (b)(6) dated July 9, 2018

Ref (K): Fact Finding Interview with (b)(6) dated July 2, 2018

Ref (L): Email conversation with (b)(6) dated Aug 13, 2018

Ref (M): Email from (b)(6) to (b)(6) dated June 22, 2017

Ref (N): Email from (b)(6) to (b)(6) dated Aug 3, 2018

Ref (O): Phone conversation with (b)(6) dated Aug 3, 2018

Ref (P): (b)(1) Bond Room Inventory Deep Dive, excel file dated August 10, 2018

Ref (Q): (b)(1) Bond Room Secondary Inventory, excel file dated August 16, 2018

(b)(6) described many situations or circumstances that (b)(6) believed demonstrated multiple areas of concern including the following:

1. Prohibited Personnel Practices committed by members of management.
2. Creating a hostile work environment by members of management.
3. Unethical behavior committed by members of management.



4. Fraud, waste and abuse committed by other employees but not addressed by members of management.

**Background:**

(b)(6) was hired on an external announcement on May 31, 2015 into the 6.1 Business Office at FRCE. (b)(6) was first contacted by the hiring manager, (b)(6) to ensure that (b)(6) wanted to be considered for the position as PCS and relocation expense reimbursement was limited and (b)(6) (b)(6) was currently residing in Indian Head, MD. (b)(6) was familiar with (b)(6) from previous business meeting involving the (b)(1) program. (b)(6) had supported the (b)(1) program as a Lockheed Martin employee and had visited FRCE as part of a site survey team during which (b)(6) had first met (b)(6). (b)(6) was working from NAVSEA at the NT-05 level, which is equivalent to a GS-14 mid step pay level. As (b)(6) was accepting a lower paying position at FRCE, pay setting rules established (b)(6) entry level grade level and pay level as a GS-12/step 10. (b)(6) received no further compensation considerations as part of (b)(6) employment offer (relocation bonus, partial PCS, etc.) Upon arrival, (b)(6) was originally assigned to the CH-53K capability establishment program. (b)(6) was also assigned collateral duties including development of career progression ladders for entry level employees within the 6.1 department. (b)(6) performed this task as a team member with (b)(6). (b)(6) applied and was promoted to a GS-13 position on April 17, 2016 and was to be supervised by (b)(6) (b)(6) as part of (b)(6) branch. Upon the retirement announcement of (b)(6) (b)(1) Program Support Manager), (b)(6) was asked if (b)(6) would be interested in assuming the (b)(1) (b)(1) Program Support Manager role. Based on (b)(6) previous experience with the (b)(1) (b)(1) program, (b)(6) accepted this new position. Shortly after this promotion, (b)(6) (b)(6) was assigned to a special task force on behalf of the Commanding Officer. (b)(6) was assigned the supervisory duties of both the 6.1.1 and the 6.1.2 divisions until (b)(6) returned from (b)(6) assignment. To ensure that (b)(6) was coordinating with the Engine IPT Lead more closely, (b)(6) was moved to the trailer closer to building 133 where the engine workload was conducted. Due to ongoing renovations occurring within the office spaces within building 133, the trailer was the closest location available as the time to get (b)(6) closest to the Engine IPT activities. Additionally, (b)(6) (b)(6) had other 6.1.1 personnel working within the same trailer.

In January 2018, (b)(6) submitted a letter of resignation to (b)(6) Department Head (b)(6) (b)(6)), as well as, several other external customers and stakeholders. The letter of resignation contained numerous allegations of misconduct that warranted further investigation and (b)(6) asked (b)(6) to meet with (b)(6) to discuss (b)(6) concerns prior to (b)(6) formal resignation. The meeting was conducted on January 26<sup>th</sup>, 2018 in (b)(6) office and (b)(6) (b)(6) PMA representative) also was present. Details of this meeting were captured in detailed notes taken by (b)(6) (b)(6) (reference (A)). Upon completion of the meeting, (b)(6) was escorted by (b)(6) and security to the Commanding Officer's office. (b)(6) met with the (b)(6) and upon completion of that meeting, (b)(6) was escorted from the facility. Following a phone call from (b)(6) (b)(6) withdrew (b)(6) resignation and returned to work. Upon (b)(6) return, (b)(6) was informed that we would be reporting directly to (b)(6) until (b)(6) returned

from (b)(6) other tasking. Upon (b)(6) return, (b)(6) was formally reassigned to (b)(6) (b)(6)

(b)(6) conducted an initial interview with (b)(6) on 13, Feb, 2018. This recorded interview was fully transcribed and the full transcription is dated 01, March, 2018 (reference (B)).

On July 6<sup>th</sup>, 2018, (b)(6) abruptly resigned from federal service.

On June 15, 2018, (b)(6) and (b)(6) asked if I would accept the task of investigating the allegations that (b)(6) had leveled against the command and members of the management team within FRCE. I received a formal appointment letter on June 22, 2018 (reference (C)). Upon acceptance of the formal appointment letter, (b)(6) provided me with all relevant artifacts that had been collected from or provided by (b)(6). (b)(6) had not conducted interviews with any other parties identified in (b)(6) complaint. An email search of (b)(6) and (b)(6) computers was submitted on June 14, 2018. The results of those email searches were provided to the Command on July 10, 2018. Full copies were provided to me on August 3, 2018.

#### Executive Summary of Findings:

1. Evidence supports that (b)(6) used (b)(6) position to influence (b)(6) (b)(6) to utilized (b)(6) in real estate transactions.
2. Evidence supports that (b)(6) became frustrated with (b)(6) over the real estate transactions and (b)(6) ambitions to further (b)(6) career, which led (b)(6) to discourage (b)(6) from applying for a GS-14 position.
3. Evidence supports that (b)(6) lied to the investigator when (b)(6) stated that (b)(6) represented no other 6.1 employees in real estate transactions.
4. Evidence supports that (b)(6) did use inappropriate and demeaning language with subordinate employees.
5. There is no evidence to support the allegation that 6.1 Managers specifically used age in their hiring or promotion selection practices.
6. There is no evidence to support that the actions taken by (b)(6) following (b)(6) withdrawal of (b)(6) initial resignation was retaliatory or vindictive in nature.
7. There is no evidence to support that (b)(6) retaliated against (b)(6) (b)(6) following (b)(6) EEO submittal.
8. There is evidence to support that excess material was ordered in support of the (b)(1) Program, however the excess material orders were accumulated over a twenty-year period and resulted from frequently changing assumptions regarding quantity of engines required to support the program through its



remaining life, as well as, agreed upon ordering practices between FRCE and PMA personnel.

9. There is evidence to support that (b)(1) support personnel did not have the requisite skills to perform the basic functions of their positions. This lack of training led to errors in ordering and inventory control on the (b)(1) Program.

Discussion of Findings:

The following personnel were interviewed as part of this investigation:

(b)(6) dated July 10, 2018  
(b)(6) dated July 9, 2018 with follow up on July 12, 2018  
(b)(6) dated July 9, 2018  
(b)(6) dated July 12, 2018  
(b)(6) dated July 2, 2018 with follow up on July 9, 2018  
(b)(6) dated July 12, 2018  
(b)(6) dated July 9, 2018  
(b)(6) dated July 23, 2018  
(b)(6) dated August 2, 2018  
(b)(6) dated August 2, 2018  
(b)(6) dated August 3, 2018  
(b)(6) dated August 3, 2018  
(b)(6) dated July 31, 2018  
(b)(6) dated August 13, 2018

(b)(6) alleged that in and around March 2015, (b)(6) had used (b)(6) position and authority to persuade (b)(6) to use (b)(6) in real estate transaction upon (b)(6) arrival at FRCE. On July 10<sup>th</sup>, 2018, I interviewed (b)(6) (reference (D)). During this interview, I asked (b)(6) if (b)(6) had represented (b)(6) in real estate transactions. (b)(6) replied that (b)(6) had. I asked how this came about upon (b)(6) arrival. (b)(6) stated that (b)(6) and (b)(6) were having a discussion in (b)(6) office and (b)(6) asked if (b)(6) knew any real



estate agents that may be able to assist in finding a house for [REDACTED] and [REDACTED] (b)(6) told (b)(6) (b)(6) that (b)(6) was a real estate agent. I asked (b)(6) if (b)(6) had sought advice from counsel on recommending (b)(6) to fellow employees or subordinate employees within (b)(6) department. (b)(6) stated that (b)(6) had not. I asked if there were other 6.1 employees that had used (b)(6) (b)(6) for real estate transactions and (b)(6) stated "No". I asked if there were other FRCE employees that had used (b)(6) for real estate transactions and (b)(6) said "No". I asked if (b)(6) had represented (b)(6) (b)(6) on more than one occasion and (b)(6) stated that (b)(6) had been the buying agent on the first transactions, the listing agent on the second and subsequent buying agent on the third. I asked if these real estate transactions had ever been discussed as work between (b)(6) and (b)(6). (b)(6) stated that (b)(6) felt (b)(6) had misrepresented (b)(6) and (b)(6) intentions when (b)(6) first came to work at FRCE. (b)(6) stated that (b)(6) had stated that (b)(6) merely wanted to get down to eastern NC to be closer to [REDACTED] ailing parents and was not looking to get promoted. (b)(6) further described that the sale of (b)(6) home caused a lot of consternation with (b)(6) and because of these two issues, (b)(6) told (b)(6) that once the sale of the house was complete, "they were done". I reviewed (b)(3), (b)(6)

(b)(3), (b)(6)

Shortly after my interview with (b)(6) and (b)(6) I had interviewed (b)(6) (reference E)). I asked (b)(6) if (b)(6) was aware that (b)(6) was a real estate agent. (b)(6) had been made aware after the allegations were first raised by (b)(6). I asked (b)(6) if (b)(6) knew of any other employees that may have been represented by (b)(6) and (b)(6) stated that (b)(6) thought that (b)(6) had recently bought a house. I conducted a follow up interview with (b)(6) (reference E) and asked (b)(6) if (b)(6) had recently bought a house and (b)(6) responded in the affirmative. I asked (b)(6) who real estate agent was and (b)(6) responded that (b)(6) had represented (b)(6). I asked if (b)(6) was aware that (b)(6) was being represented by (b)(6) and (b)(6) responded in the affirmative.

(b)(6) also alleges that (b)(6) persuaded or pressured (b)(6) into withdrawing (b)(6) name for consideration of a GS-14 position that (b)(6) ultimately received. During my interview with (b)(6) I asked (b)(6) if (b)(6) was aware that (b)(6) had applied for the same position as (b)(6). (b)(6) said (b)(6) was not aware. I asked (b)(6) if (b)(6) had confronted (b)(6) directly about applying for the same position as (b)(6). (b)(6) stated that (b)(6) did not. Although (b)(6) stated that (b)(6) did not confront (b)(6) (b)(6) had previously stated that (b)(6) had become upset with (b)(6) (b)(6) because (b)(6) felt that (b)(6) had misrepresented (b)(6) when (b)(6) told (b)(6) that (b)(6) wasn't interested in being promoted. This clearly upset (b)(6) and also clearly indicates that (b)(6) was aware that (b)(6) was actively seeking promotions. Since (b)(6) (b)(6) was on the panel that selected (b)(6) to the GS-13 position (b)(6) already occupied, it is reasonable to assume that (b)(6) frustration was directed at (b)(6) ambition to become a GS-14. During this period, there was only one GS-14 position competed within the 6.1 department and (b)(6) was ultimately selected for this position. I interviewed (b)(6) (reference G) based on (b)(6) (b)(6) identifying (b)(6) as someone who could corroborate (b)(6) claim. I asked (b)(6) if (b)(6) had applied for the position and (b)(6) stated that (b)(6) had applied but did not make the cert. I asked (b)(6) if (b)(6)



was aware of other applicants and (b)(6) said (b)(6) was aware of (b)(6) and (b)(6). I asked (b)(6) if (b)(6) had a conversation with (b)(6) concerning the selection process for the GS-14 position. (b)(6) described that (b)(6) had approached (b)(6) and stated that (b)(6) had observed (b)(6) applying for the position and confronted (b)(6) about "competing" directly against (b)(6) for (b)(6) position. (b)(6) stated that (b)(6) told (b)(6) that (b)(6) felt pressured into withdrawing from consideration based on this confrontation. I asked (b)(6) when this conversation had taken place and she stated that (b)(6) had told (b)(6) what had happened on the day or the next day after the confrontation with (b)(6).

(b)(6) alleged that the 6.1 management was specifically targeting young employees, thereby discriminating against older or more senior employees. (b)(6) stated that (b)(6) had specifically stated that the department needed employees that were going to stay for 20 years or more. During my interview with (b)(6) I asked if (b)(6) had made this statement. (b)(6) stated that (b)(6) and (b)(6) were tasked to develop career progression ladders for 6.1 employees. This effort was a part of the development of the 6.0 Logistics and Industrial Operation Career Guidebook which was to contain clearly defined career progression ladders from entry to senior management levels for all competencies within the 6.0 Competency. 6.1 at FRCE typically recruited at the GS-12 level and therefore many lower level personnel residing within other 6.0 competencies were excluded from these recruitment actions. In an attempt to rectify this exclusionary practice, the 6.1 team was to identify lower grade level knowledge, skills, and abilities along with lower grade level Position Descriptions so future recruitment actions (both internal and external) could be expanded to a much more inclusive and more diverse candidate pool. I find that these activities by the 6.1 management team were aligned to overarching goals of the 6.0 Competency Lead and consistent with activities performed by all 6.X competencies both at FRCE, as well as, the other FRC sites.

(b)(6) alleges that this age discrimination was a key factor in the promotion of (b)(6) and (b)(6) to the GS-13 supervisory positions announced in July of 2016. (b)(6) created an announcement for the one position to fill one vacancy within (b)(6) Department. (b)(6) ultimately selected two candidates off this certificate to also fill an additional vacancy caused by (b)(6) retirement. The certification was issued on July 18<sup>th</sup>, 2016 and received on August 1<sup>st</sup>, 2016 and contained sixteen candidates for consideration. The announcement was opened for candidates both external and internal. (b)(6) assembled a panel to grade the resumes. This panel included (b)(6) (b)(6) and two individuals from outside of 6.1. Upon the grading of the resumes, the candidates were sent written questions to evaluate writing skills and to evaluate how they would handle various scenarios. The written questions were graded by a different panel which included (b)(6) and two others from outside 6.1. While (b)(6) resume graded at a high enough level to get (b)(6) to the written questions, (b)(6) responses to the written questions scored low and; therefore, (b)(6) did not make it the cut off for final oral interviews. (b)(6) contends that (b)(6) supervisory skills and experience were superlative to (b)(6) and (b)(6) did not consider this selecting (b)(6) for an interview. Supervisory experience was considered during the resume grading and (b)(6) scored higher than (b)(6) during this phase of the process. The written questions did not address supervisory experience and it was during this phase of the process that (b)(6) was eliminated



from contention for this position. Five candidates were ultimately interviewed for the positions and two selected from this final pool of candidates. (b)(6) offered feedback to all non-selectees and originally (b)(6) asked for a feedback session. (b)(6) sent (b)(6) an email shortly thereafter indicating that a feedback session was not needed. Seven months later (May of 2017), (b)(6) asked (b)(6) for feedback and (b)(6) provided feedback on (b)(6) (b)(6) resume and (b)(6) responses to the written questions. (b)(6) thanked (b)(6) for the feedback via email.

(b)(6) alleged that (b)(6) had assisted (b)(6) in the preparation of (b)(6) resume and influenced the selection process. I found no evidence that (b)(6) and (b)(6) knew each other prior to (b)(6) arriving at FRCE. (b)(6) had limited input into the selection process as the resume grading criteria, written question grading criteria, and oral interview question grading criteria were all established by (b)(6). Additionally, the grading panels were outside of the 6.1 management chain of command and no panel members were subordinates to (b)(6) (b)(6) (b)(6) took the added precaution of removing all names for the written question responses so that the grading panel was not aware of which candidate provided which responses.

Additionally, there is no pattern of hiring within the 6.1 Department that would indicate a bias towards younger individuals.

Prior to the announcement for the supervisory positions, (b)(6) was promoted from GS-12/Step 10 to a GS 13/Step 6. This promotion was effective April 17, 2016 and (b)(6) was one of three individuals that was promoted off the same certificate. The selecting official for this promotion panel was (b)(6) and (b)(6) utilized a grading panel consisting of individuals from outside the 6.1 Department.

(b)(6) alleged a hostile work environment was created by (b)(6) through (b)(6) use of inappropriate and demeaning language when addressing 6.1 subordinate employees in the Customer Liaison Trailer. I contacted (b)(6) and (b)(6) and set up fact finding interviews with these two employees that worked within the trailer.

I met with (b)(6) (reference (H)) and asked how often (b)(6) visited the trailer. (b)(6) stated that (b)(6) may visit once a month at the most. I asked what the nature of (b)(6) interaction with (b)(6) was and (b)(6) stated that the majority of (b)(6) interaction was administrative (leave, PARS, etc.) or when (b)(6) (b)(6) needed something. I asked how (b)(6) would characterize these interactions and (b)(6) stated that it was more Marine to Marine than civilian. (b)(6) often barked orders and would not allow dialog. (b)(6) frequently became frustrated with (b)(6) and yelled or used body language that made (b)(6) feel threatened or intimidated. I asked if (b)(6) had ever used a term or saying like, "your job is so easy, even a monkey could do it." (b)(6) said (b)(6) remembered (b)(6) saying that and remembered the situation. (b)(6) had contacted (b)(6) about (b)(6) behavior and had sent emails to (b)(6) describing the rude or inappropriate behavior of (b)(6) (b)(6) corroborated this and had the email that (b)(6) had sent (reference (I)). (b)(6) felt that (b)(6) (b)(6) did not understand the nature of the work involved juggling the demands of the various



programs. Because of (b)(6) lack of understanding, (b)(6) would get frustrated with (b)(6) and made comments that "you work for me, not the programs."

I then conducted a fact finding interview with (b)(6) reference (J)). (b)(6) works within the same trailer as (b)(6) and (b)(6) desk is a few feet away from (b)(6). I asked (b)(6) if (b)(6) had heard (b)(6) use a phrase about a monkey and (b)(6) related the same description as (b)(6) (b)(6). I asked (b)(6) how (b)(6) interaction with (b)(6) was and (b)(6) said typically one-sided. (b)(6) also used the term military to describe the manner of their interactions. (b)(6) had witnessed (b)(6) becoming upset of several occasions and felt that (b)(6) talked down to the folks in the trailer.

I conducted a fact finding interview with (b)(6) reference (F)) to discuss the allegations raised by (b)(6) and corroborated by (b)(6). I asked (b)(6) how often (b)(6) visited the trailer to interact with (b)(6) and (b)(6). (b)(6) stated that (b)(6) visited perhaps once a month. I asked (b)(6) if (b)(6) had received any direct civilian supervisory training upon (b)(6) arriving at FRCE and (b)(6) stated that (b)(6) had not but (b)(6) had ample supervisor experience while in the military. I asked if (b)(6) had performed any personnel actions since coming aboard and (b)(6) stated that (b)(6) had not. I asked if (b)(6) had discussed (b)(6) expectations for (b)(6) when (b)(6) arrived. (b)(6) stated that (b)(6) had emphasized the importance of using the proper procedures and directives when performing (b)(6) duties. I asked if (b)(6) had specifically discussed how to address and interact with employees and (b)(6) stated that (b)(6) had not addressed this issue. I asked if (b)(6) recalled using a statement about how a job was so easy a Monkey could do it. (b)(6) stated that (b)(6) did not recall making that statement. I asked if (b)(6) had ever lost (b)(6) temper with (b)(6) and (b)(6) stated that (b)(6) had not. (b)(6) stated that (b)(6) required a lot of direction to get (b)(6) to perform (b)(6) job correctly. (b)(6) stated that (b)(6) did recall telling (b)(6) that (b)(6) (lead logistician on H53 program) was not (b)(6) boss. This was a result of a concern that (b)(6) (b)(6) was placing too much priority on the H53 program versus the numerous other programs requiring support.

(b)(6) alleges that (b)(6) created a hostile work environment upon (b)(6) return to supervisory duties following completion of the special task force assignment. Fact finding interview was conducted with (b)(6) to discuss (b)(6) interaction with (b)(6) (reference (E)). (b)(6) (b)(6) described a few incidents in which (b)(6) had become angry to the point that (b)(6) had hung up the phone on (b)(6). I ask (b)(6) to describe this particular incident. (b)(6) stated that as (b)(6) had assumed the role of (b)(6) supervisor (b)(6) wanted to become more familiar with the (b)(1) Program. (b)(6) had approached (b)(6) concerning the processing of the special act awards for the (b)(1) Program participants. (b)(6) asked (b)(6) (b)(6) why (b)(6) was pursuing the awards so early in the fiscal year, as the process states that the awards would be processed in the fourth quarter each fiscal year. (b)(6) conveyed that (b)(6) wanted to ensure that the awards were processed in a timely manner. (b)(6) had assured (b)(6) that they would be processed in accordance with the instructions. As (b)(6) was researching the awards, (b)(6) noted that (b)(6) had received an award for \$1000.00 the year prior. The timing of this award corresponded with the (b)(1) Awards. (b)(6) called (b)(6) to ask (b)(6) if (b)(6) had received a (b)(1) Award the year prior. (b)(6) said (b)(6) did not know. (b)(6) asked if (b)(6) had received a \$1000 dollar award the year prior and (b)(6) said (b)(6) couldn't remember. After pressing (b)(6)



(b)(6) further, (b)(6) finally acknowledged that (b)(6) had received a (b)(1) Award the year prior. (b)(6) asked (b)(6) if (b)(6) realized that (b)(6) did not meet the eligibility requirements for the (b)(1) Award the year prior and (b)(6) hung up on (b)(6). Immediately after the phone call, (b)(6) sent an email to (b)(6) and (b)(6) effectively withdrawing (b)(6) security clearance and making (b)(6) unable to support the (b)(1) program. (b)(6) called back to finish the conversation with (b)(6) and (b)(6) became enraged. (b)(6) was trying to determine if (b)(6) had submitted (b)(6) for the award. (b)(6) later determined that (b)(6) had mistakenly submitted (b)(6) for the award although (b)(6) was not eligible. As the (b)(1) Program Manager, it is reasonable to assume that (b)(6) (b)(6) was aware that (b)(6) was not eligible for the \$1000 award the year prior. (b)(6) determined that (b)(6) was eligible for the award the current year and informed (b)(6) (b)(6) that (b)(6) would be processing (b)(6) award immediately upon return from leave but still within the timeframe described in the instruction. (b)(6) also stated that they would discuss the email and the tone of (b)(6) conversations upon (b)(6) return. (b)(6) stated that it wasn't necessary, but (b)(6) (b)(6) felt that it was necessary to correct (b)(6) behavior.

On another occasion, (b)(6) had called a meeting for all stakeholder in the (b)(1) Program. (b)(6) had sent the meeting invite to the (b)(6) and (b)(6) called (b)(6) and (b)(6) to determine what the purpose of the meeting was and what the agenda was. (b)(6) called (b)(6) to ask for an agenda to determine what the purpose of the meeting was. (b)(6) (b)(6) had portrayed the meeting as an informational meeting with the IPT leads providing status of the engine program to the PMA representatives. (b)(6) had invited a multitude of artisans and shop support personnel. As the meeting started, the agenda quickly deviated from the plan. The engine IPT lead allowed all the artisans and support personnel to leave the meeting and (b)(6) became extremely upset. (b)(6) stated that (b)(6) had placed the FRC IPTs leads in a position requiring them to defend their performance to the PMA representatives. Following the meeting, IPT participants relayed their disappointment to (b)(6) and she called a meeting in (b)(6) office with (b)(6), (b)(6), and (b)(6). (b)(6) asked (b)(6) "what jersey do you wear?" questioning (b)(6) loyalty to the Command. Immediately after the meeting, (b)(6) and (b)(6) walked outside and (b)(6) defiantly told (b)(6) that (b)(6) loyalty was to the Marine Corp and to the Program. (b)(6) did not acknowledge any wrong doing nor did (b)(6) recognize how (b)(6) actions during the meeting with the PMA customers may have contributed to an unnecessary rift between the customer and service provider. These examples of confrontations between (b)(6) and (b)(6) indicate a confrontational and contentious relationship between supervisor and employee but there is no evidence to support that (b)(6) actions created a hostile work environment.

(b)(6) alleges that (b)(6) had created a hostile work environment following (b)(6) (b)(6) return to work in early February 2018 after (b)(6) withdrew (b)(6) resignation. I conducted an interview with (b)(6) (reference (K)) and asked (b)(6) about the circumstances surrounding (b)(6) (b)(6) being escorted from the building on January 26<sup>th</sup>, 2018 by FRCE security. (b)(6) stated that (b)(6) resignation letter and allegations contained therein caused some concern about



how (b)(6) would act within the two-week period between the resignation letter and the effective date. (b)(6) had discussed the situation with (b)(6) supervisor, (b)(6) and sought advice from counsel. It was determined that the best approach would be to have (b)(6) come directly to (b)(6) office for an interview (see notes in reference (A)). Following the interview, security would escort (b)(6) to (b)(6) workplace and allow (b)(6) to collect (b)(6) personnel possessions. (b)(6) would be placed on administrative leave for the remainder of the two-week period until (b)(6) resignation was effective. After (b)(6) withdrew (b)(6) resignation, (b)(6) was faced with a situation where (b)(6) was reluctant to place (b)(6) back reporting to (b)(6). (b)(6) was not back from (b)(6) task force assignment yet and therefore, (b)(6) decided to have (b)(6) report directly to (b)(6). This reporting situation would also allow (b)(6) to provide attention to (b)(6) other concerns surrounding safety concerns in the (b)(1) bond rooms. (b)(6) is the Application Area Champion for the buildings that contained the bond rooms so (b)(6) had a vested interest and responsibility for resolving these safety concerns. (b)(6) asked (b)(6) to check in with (b)(6) on a daily basis. This caused much consternation on the part of (b)(6). (b)(6) challenged (b)(6) on several occasions and even directly defied (b)(6) on occasions. This defiance led (b)(6) to respond with further directions which (b)(6) felt were unfair and unnecessary. There is no evidence that (b)(6) acted inappropriately towards (b)(6). (b)(6) actions on the day of (b)(6) final interview on January 26<sup>th</sup>, 2018 were consistent with advice that (b)(6) had received from (b)(6) supervisor and (b)(6). (b)(6) acted in the best interest of the Command and in the best interest of (b)(6) by not placing (b)(6) under the supervision of (b)(6) and providing (b)(6) with direct senior leadership attention to (b)(6) safety concerns.

Finally, (b)(6) alleges fraud, waste, and abuse was committed through the improper ordering of material in support of the (b)(1) program. I met with (b)(6) on July 23, 2018. (b)(6) is lead logistician on the (b)(1) Program. In this role (b)(6) provides material support and analysis to ensure the correct material is ordered and available to execute the repair of the (b)(1)s. One of (b)(6) primary roles is to calculate and order parts in a sufficient quantity to ensure material is on hand to support this program through its remaining service life and final sundown. In order to determine the required quantities, key variables must be determined to perform the calculations and final quantity determination. The primary variable is how many engines will need to be repaired to support the program until it is final sundown. This is based on how the aircraft are flown, rate of unscheduled engine removals, and how many years the program will remain in service. The remaining duration of the program has changed several times of the past years and this has resulted in alterations to required order quantities. In 2014, the quantity of engines planned for life of program was 88 per the former (b)(1) lead logistician, (b)(6) (reference (L)). (b)(2)

(b)(2), (b)(6)

(b)(2) Another key variable is the replacement factor of each part after the engine is disassembled and the parts are inspected. These replacements factors



can and do experience perturbations resulting in order quantity risk. Because the replacement factors change frequently, and the program wanted to ensure that required parts were on hand to facilitate repairs, orders were based on 100% replacement factors thereby erring on the conservative side for order quantities. Finally, another key variable is quality or fall out rate of incoming material. There are instances of new parts being ordered and upon receipt it is found that these parts are not within required specification limits and cannot be utilized during the repair evolution. The combination of these independent variables lead to the complexity of determining an accurate quantity of each required part ordered to support the program through its remaining life. There is evidence to support that (b)(6) attempted to elevate the order quantities through manipulation of the Gross Demand Plan (GDP) algorithm. Emails demonstrate that (b)(6) was concerned that the method by which material is ordered through the GDP process would lead to possible shortages later in the program life. (b)(6) recommended alternative work-arounds which (b)(6) believed would alleviate these shortages (reference (M)). Although (b)(6) recommendations were not implemented, this attempt is illustrative of the methods stakeholders employed to ensure the program would never suffer a material deficiency.

One of the primary functions of (b)(1) Lead Logistician ((b)(6) and (b)(6) previously) is to perform the life of program material support analysis. As the analysis is performed and refined, the required quantities are compared to the on-hand existing inventory and deficiencies are identified. These deficiencies are ordered directly through DLA or provided through supply channels maintained by the PMA. As parts are received at FRC, they are inventoried and placed in the secure bond rooms until such time as they are needed to execute a repair evolution. (b)(6) contends that FRC had purchased a multitude of parts that were not needed and ordered parts from DLA that were also provided by the PMA. As evidence of this, (b)(6) provided a comparison between the FRC Bill of Material (RBOM) for the (b)(1) engine and the General Electric BOM for the (b)(1) engine. (b)(6) identified stock numbers which were on both BOMs and concluded that parts were being ordered from DLA while they were being provided by the PMA (through GE). While the stock numbers may have been included in both BOMs, this does not equate to actual orders being placed. For example, Gas Generator Turbine Blade (NIIN 011183307), was listed on the FRC BOM and the GE BOM. Ordering history revealed that this part was only ordered from GE (through PMA). In order to determine which items were actually purchased against each engine, data identifying all requisitions associated with the last five engines sold by FRCE was acquired. This data included all items ordered and received and ultimately billed to each of the five engines. This listing does not include items which were provided by the PMA that were also used to repair these five engines. The normal ordering practices employed by the responsible Production Controller ((b)(6)) is to check all identified requirements against current bond room inventory. If the item is not found within the bond room, then a requisition is placed with DLA to purchase the part. This practice ensures that parts provided from the PMA through GE are exhausted first before an additional purchase request is executed with DLA. I found minor irregularities in the order/received quantities of a minority of the stock numbers within this data set. These irregularities were identified by the order quantity being larger than the identified quantity per assembly (QPA). These irregularities are not necessarily erroneous as many could be explained by failure or damage to the part incurred during the repair. I identified 39 items representing 8 unique

stock numbers which were purchased from DLA totaling \$12,813.68 and also contained on the GE BOM. Reviewing the date of receipt of each of these items and comparing to date receipts of all items in the bond rooms, I found evidence that these items were erroneously purchased from DLA as they were readily available at the required quantities within the bond room. Interview conducted with (b)(6) and (b)(6) revealed that although the PC interrogated the bond room inventory to determine availability of each part, the parts that were found in the bond room were not "unallocated" from the purchase document. This additional step of "unallocating" or removing these parts requirements from the order resulted in the purchase of the 39 items described above. FRCE has implemented process control to ensure that this practice is not repeated.

The primary PC for the (b)(1) Program is (b)(6). (b)(6) indicated that (b)(6) was non-competitively converted from a Tool Parts Attendant to a Production Controller in January of 2017 (reference (N)). (b)(6) was trained by (b)(6) (previous PC) upon (b)(6) conversion from TPA to PC. Interviews with (b)(6) (reference (O)) and (b)(6) revealed that there was no dedicated or structured training program established for (b)(6) upon (b)(6) conversion to the Production Controller position. Review of (b)(6) performance evaluation's revealed (b)(6) received a satisfactory rating as a PC. Both (b)(6) and (b)(6) stated that training responsibilities for (b)(6) was (b)(6) as (b)(6) first line supervisor. (b)(6) interacted with (b)(6) to convert (b)(6) from a TPA to PC to better align (b)(6) actual duties to the correct series. (b)(6) made the determination to perform this conversion non-competitively even though it was ultimately a promotion for (b)(6). Neither (b)(6) or (b)(6) were aware of the ordering discrepancies attributed to (b)(6). (b)(6) moved (b)(6) to support this program as a result of complaints and concerns raised by (b)(6) over the level of support provided to the (b)(1) program.

To fully determine if excessive parts were ordered from DLA while being provided by the PMA, a wall to wall inventory was conducted of the (b)(1) bond rooms (reference (P)). All receipted material was documented. The inventory quantities were compared to the required quantities needed to fulfill the program demands of 17 additional engine repairs. The inventory revealed a total of 1350 unique parts on hand. Of these 1350, 45 were deemed to have the required quantity to achieve full program service life. 746 were deemed to be below the required quantity. The remaining 559 were determined to have excess quantities. The total monetary value of excess items identified through the audit was \$9.3 M. Of this total, \$5.3M were items sourced by DLA and \$4M were items sourced by the PMA through GE. To fully assess the manner in which this excess material was accumulated within the bond rooms, a further inventory was conducted (reference (Q)). Twenty-two items were identified representing over 80% of the total value of the surplus parts. 12 of these parts were sourced from DLA and the remaining 10 were sourced from GE through the PMA. The secondary inventory was conducted on August 15<sup>th</sup> and 16<sup>th</sup> by (b)(6). (b)(6) was instructed to find all of the inventory associated with the 22 part numbers identified. (b)(6) was further instructed to identify the delivery date or receipt date associated with the total quantity of items associated with the 22 unique part numbers. The total quantity of items associated with the 22 unique part numbers was 16627. The results are as follows:



August 24, 2018

1136 items were delivered and receipted at FRCE within the past ten years. This represents 6.8% of the total population.

The remaining 15491 items were delivered and receipted at FRCE prior to 2008.

13171 items were delivered and receipted at FRCE within a three-year period from 2003 through 2005.

The oldest items identified within these 22 part numbers was receipted and delivered in 1973.

To further illustrate the sensitivity of the order quantity analysis to planned remaining engines, the inventory analysis was reassessed based on the planned Life of Program glideslope identified by the PMA in 2014.

(b)(2)  
(b)(2)

(b)(2) This  
secondary analysis reveals the extreme volatility associated with the projected remaining engines.



August 24, 2018

# (b)(6) Employment History

